

To: Naftz, Douglas[Naftz.Douglas@epa.gov]
From: Ketellapper, Victor
Sent: Thur 10/8/2015 3:31:12 PM
Subject: RE: Site assessment history -GKM

Doug,

I have some of the history summarized below by the community involvement group. I believe there was some preliminary assessment/site assessment work conducted by CDPHE in the late 1990ies/early 2000s. This information is in SDMS.

Victor

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Fall 2010 — The Environmental Protection Agency conducted intensive water and soil sampling in the upper Cement Creek area in recent weeks to see if the area may qualify as a Superfund site.

May 2011 — With the Environmental Protection Agency preparing to release its decision on whether a cluster of mines near Gladstone qualifies for Superfund designation, the Animas River Stakeholders Group is approaching a crossroads.

And the three coordinators of the group say the ARSG — open to anyone interested in Animas River water quality — is unable to reach a consensus on the possible Superfund designation.

August 2011 — A handful of abandoned mines near Gladstone are responsible for enough contamination of Cement Creek and the Animas River to justify Superfund listing, according to the Environmental Protection Agency, but that won't happen without community support.

In a Town Hall meeting Thursday, Aug. 18, EPA officials reviewed data from their fall 2010 sampling of Cement Creek and the Animas River. They say water quality is worsening, with zinc, lead and other heavy metals at elevated levels.

This in turn is being blamed for the loss of three of four trout species since 2005 in the upper Animas.

September 2011 — A brief Environmental Protection Agency presentation on the possibility of using Superfund to address water quality issues on Cement Creek was greeted with some skepticism at Town Hall on Monday night, Sept. 12. Some attending the meeting even questioned whether there was enough data to support

the conclusion that there was a serious problem.

October 2011 — Sunny-

side Gold Corp. has offered to contribute up to \$6.5 million to address water quality issues in Cement Creek and the Animas River, including up to \$5 million to operate "a cost-effective" treatment plant to process tainted water spewing from mine portals above Silverton.

In an Oct. 4 letter to the Animas River Stakeholders Group coordinators and BLM district manager Lori Armstrong, Sunnyside's president, Lauren Roberts, said the company "does not view that a Superfund listing would be constructive and would vigorously contest any alleged liability under Superfund."

October 2011 — Sunnyside Gold Corp. wants the Silverton Town Council to support its approach for a collaborative process for addressing water quality problems associated with dormant mines above Gladstone.

Sunnyside, as a former mine operator in the area, has been identified by the EPA as one of several "potentially responsible parties" that could be held liable for cleaning up the problem if the sites were placed on the National Priorities List.

"We're trying to convince you that a collaborative process is the best way," Larry Perino, Sunnyside Gold Reclamation manager, told the Town Council. "It would be helpful if you let the EPA know what your thoughts are."

November 2011 — Some members of the Animas River Stakeholders Group are asking the Environmental Protection Agency to "hold its fire" on seeking Superfund listing for Cement Creek mine drainages.

And Sunnyside Gold Corp. president Lauren Roberts warned the EPA that it will face a lengthy legal fight if it seeks to nominate the sites for the National Priorities List under the so-called Superfund legislation.

April 2012 — The Environmental Protection Agency has something to say to Silverton:

"We heard you loud and clear," said Mark Hestmark, acting office director for ecosystems protection and remediation at the EPA's regional office in Denver.

"We are going to set aside the whole Superfund listing in the interest of continuing to collaborate with you and the Animas River Stakeholders Group, as we have for the last 17 years," Hestmark said last week in a meeting with town and county officials.

June 2013 — Sunnyside Gold Corp. and the Environmental Protection Agency are conducting talks aimed at a comprehensive settlement to resolve possible water quality liability issues related to past Sunnyside operations in the basin.

Mike Holmes of the EPA said the agency has been "working with Sunnyside Gold, exchanging information on settlement issues — liability issues for a long-term settlement."